



United States Department of the Interior  
BUREAU OF LAND MANAGEMENT  
FILLMORE FIELD OFFICE  
35 East 500 North  
Fillmore, Utah 84631



In Reply Refer to:  
3800  
(U-010)  
UTU-079464

December 23, 2003

CERTIFIED MAIL #7002 3150 0004 1699 4292  
RETURN RECEIPT REQUESTED

MERT HAMILTON  
DBA  
ROCANVILLE STONE  
461 E TOPAZ #8  
DELTA UT 84624

Dear Mr. Hamilton:

On October 15, 2003, we received from the Utah Division of Oil, Gas and Mining (UDOGM) a Notice of Intention to Conduct Exploration (NOI) at two sites (Tejon Canyon #1 and Tejon Canyon #2) in Section 30, T. 18 S., R. 13 W. We considered this NOI to be an amendment to your 43 CFR 3809 notice; however, on October 16, 2003, we sent you a letter informing you that the notice was deficient since no reclamation cost estimate had been included as is required by § 3809.301(b)(4). On December 8, 2003, we received information from UDOGM that you had submitted a \$6,930 bond to them for the NOI. This bond was calculated to cover 2.31 acres of disturbance. Your October 15, 2003 NOI proposed 4.8 acres of disturbance. §3809.553 does allow you to post a bond for part of your operations, so we are accepting the \$6,930.00 as sufficient as long as the amended portion of the operation does not exceed 2.31 acres.

The original notice was for two other sites in the same section. One of those, the Red Gulch, or Burgundy Quarry, was split out into a Plan of Operations. The other site, the Serendipity #1, currently comprises about .5 acres of disturbance. Larry Dutson submitted a \$1375.00 bond for the site prior to his transferring the operation to you. The transfer will not be complete until you submit your own financial guarantee for the site. Since the bond is only sufficient for the current disturbance, before conducting any further work at the Serendipity #1 site, you must recalculate the reclamation cost estimate to include your future work, and submit a financial guarantee sufficient to cover the reclamation of both the current and future disturbances. At that time, we will release the \$1375.00 to Larry

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DIV. OF OIL, GAS & MINING



Dutson. Until then, as mandated by § 3809.116(c)(2), Mr. Dutson will remain responsible for any liabilities at the Serendipity #1 exploration site.

With the submission of the \$6930.00 financial guarantee for the Tejon Canyon #1 and Tejon Canyon #2 sites, your notice is accepted. Please keep in mind that you may remove only 1,000 tons of rock under a notice, and that this 1,000 tons may be used for testing purposes only. If you are selling the rock, your activity is considered mining, and you must cease operations until you have an approved Plan of Operations in place.

We are still assessing the information you submitted to us regarding the locatability of the stone you are mining. On October 24, 2003, new regulations went into effect that incorporated previous case law regarding locatable minerals. § 3830.12(b) states:

"Under the Surface Resources Act," certain varieties of mineral materials are locatable if they are uncommon because they possess a distinct and special value. As provided in McClarty v. Secretary of the Interior, 408 F.2d 907 (9<sup>th</sup> cir. 1969), we determine whether mineral materials have a distinct and special value by:

- (1) Comparing the mineral deposit in question with other deposits of such minerals generally;
- (2) Determining whether the mineral deposit in question has a unique physical property;
- (3) Determining whether the unique property gives the deposit a distinct and special value;
- (4) Determining whether, if the special value is for uses to which ordinary varieties of the mineral are put, the deposit has some distinct and special value for such use; and
- (5) Determining whether the distinct and special value is reflected by the higher price that the material commands in the market place."

Acceptance of this notice will not now, nor in the future, serve as a determination of the validity nor ownership of any mining claim included under the notice. If you have any questions, please feel free to contact Sheri Wysong at (435) 743-3124.

Sincerely,



Rex Rowley  
Field Office Manager

**ACTING**

cc: Tom Munson, UDOGM (E/027/066) *File retired now M/27/87*  
 Larry Dutson 140 N 150 E Delta, UT 84624  
 Stacie Hamilton, 17490 Meandering Way # C-1405, Dallas, TX 75252  
 William Hudson 8235 Douglas Ave., Dallas, TX 75225